



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
INDIVIDUAL HEALTH COVERAGE PROGRAM
& SMALL EMPLOYER HEALTH BENEFITS PROGRAM
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TRENTON, NJ 08625-0325

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DONALD BRYAN
Acting Commissioner

**NOTICE OF ANNUAL FILING REQUIREMENTS FOR
NEW JERSEY SEH PROGRAM ASSESSMENT
ACTION REQUIRED BY MARCH 1, 2006**

**TO: PROPERTY AND CASUALTY CARRIERS, LIFE AND ACCIDENT
AND HEALTH INSURANCE CARRIERS, HEALTH
MAINTENANCE ORGANIZATIONS, AND HEALTH
SERVICE CORPORATIONS**

FROM: New Jersey Small Employer Health Benefits ("SEH") Program Board

RE: Annual Filing of Market Share Reports or Non-member Certifications

DATE: January 25, 2006

SEH Program

Carriers which report accident and health premium in 2005 are required to provide the Small Employer Health Benefits Program ("SEH") Board with either a Market Share Report **or** a Certification of Non-member Status. Carriers shall **not** complete both forms. Copies of these reports are attached hereto. If the SEH Board does not receive an accurate Market Share Report from a Member by the March 1, 2006 deadline, or has not granted an extension for such a filing, the Board may refer the matter to the DOBI for enforcement. Further, please note that all Market Share Reports may be subject to audit and a carrier should be prepared to support such an audit.

Non-member carriers must file a Certification of Non-member Status by March 1, 2006 in order to avoid being considered a Member and being assessed based on the carrier's entire accident and health premium reported on its annual statement blank. Carriers which do not report accident and health premium for 2006 are not required to provide the SEH Board with either filing.

Pursuant to the Small Employer Health Benefits Act of 1992, ("SEH Act"), N.J.S.A. 17B:27A-17 et seq., and regulations promulgated thereto and set forth at N.J.A.C. 11:21-1.1 et seq., carriers with *inforce small employer health benefits plans in New Jersey* are subject to assessment by the SEH Board.

Affiliated carriers filing Market Share Reports must submit both a combined Market Share Report and a Market Share Report for each individual affiliate.

Please read the rules carefully before filing. If you have any questions, please let me know.

Rosaria Lenox, CPA
Program Accountant
IHC and SEH Programs

The following excerpts from the **SEH Program** regulations are set forth below to assist you in completion of the Exhibit CC Market Share Report.

SEH Program: Market Share Report

N.J.A.C. 11:21-10.1 Scope and applicability

(a) This subchapter sets forth annual reporting requirements of market share data for the assessment of operational and administrative expenses of the SEH Program.

(b) This subchapter shall apply to all carriers that are, or become, members of the SEH Program for any portion of a calendar year for which reports under this subchapter are required to be filed, whether or not the carrier is a member on the report filing due date.

11:21-10.2 Definitions

Words and terms used in this subchapter shall have the meanings as set forth in the Act or the chapter, unless the context clearly indicates otherwise.

11:21-10.3 Filing of the Market Share Report

(a) Every member of the SEH Program shall file the Market Share Report set forth as Exhibit CC in the Appendix to this chapter, incorporated herein by reference, on or before March 1. Every member shall complete Parts A, B, C and D of the Market Share Report.

1. Affiliated carriers shall submit a combined Market Share Report, except as (a)2 below applies. The combined Market Share Report shall be submitted under the name of one of the affiliated carrier's members.

2. Any insurance company, health service corporation, hospital service corporation or medical service corporation that is an affiliate of a health maintenance organization located in the State, and any health maintenance organization located in the State that is affiliated with an insurance company, health service corporation, hospital service corporation, or medical service corporation shall submit separate Market Share Reports.

(b) Certified Market Share Reports shall be submitted by mail or facsimile to the SEH Program Administrator or Executive Director, as set forth at N.J.A.C. 11:21-2.

11:21-10.4 Net earned premium

(a) Every member's net earned premium for the preceding calendar year ending December 31 shall be set forth in Part C of the Market Share Report.

1. Net earned premium set forth in Part C of the Market Share Report shall include net earned premium resulting from health benefits plans issued, continued or renewed during the preceding calendar year for one or more small employers.

2. Net earned premium reported in Part C of the Market Share Report shall be based upon, if not the same as, the data set forth in the member's annual reports adjusted to meet the definition of group health benefits plan, as necessary.

11:21-10.5 Certification

All reports shall be certified as accurate, complete and conforming with the requirements of this subchapter by the Chief Financial Officer or other duly authorized officer of the member.

11:21-10.6 Failure to comply

Failure to comply with the reporting provisions of this subchapter shall result in the Board determining that the premium set forth in the member's most recent Annual Statement filed with the Department is the premium based upon which that member's market share allocation of assessments shall be calculated by the Board.

EXHIBIT CC: 2005
New Jersey Small Employer Health Benefits Program
Carrier Small Employer Market Share Report

This report must be completed in accordance with the provisions of N.J.A.C. 11:21-10, and certified by the Chief Financial Officer or other duly authorized officer of the Carrier. This revised report must be completed and returned on or before **March 1, 2006**. Completed Reports must be returned to: SEH Program, PO Box 325, [20 West State Street], Trenton, NJ 08625-0325.

Part A. Carrier Information

1. Carrier's Name: _____
2. Carrier's NAIC Number: _____
3. Affiliated carriers shall submit one combined Market Share Report, listing all affiliates that had group health benefits plans in force for small employers in the preceding calendar year in the lines provided below. However, any insurance company, health service corporation, hospital service corporation or medical service corporation that is an affiliate of a health maintenance organization located in the State, and any health maintenance organization located in the State that is affiliated with an insurance company, health service corporation, hospital service corporation, or medical service corporation shall submit separate Market Share Reports.

Affiliate Name (if applicable)

NAIC#

_____	_____
_____	_____
_____	_____
_____	_____

Part B. Personal Respondent Information

1. Name: _____
2. Title: _____
3. Mailing Address: _____
4. Telephone No.: _____ FAX No.: _____
5. E-mail address: _____

Part C. Calendar Year Information for 2005

1. Net earned premium for all small employer group health benefits plans in 2005: \$ _____ (1)
2. Less refunds paid in 2005: \$ _____ (2)
3. ASSESSABLE NET EARNED PREMIUM (1-2=3): \$ _____ (3)

Part D. Certification

I certify that I am the Chief Financial Officer or other duly authorized officer of the company and that the information provided in this Report is accurate and complete, and has been prepared in accordance with the provisions of N.J.A.C. 11:21-10.

Signature

Title

Printed Name

Date

**THE NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM
2005 CERTIFICATION OF NON-MEMBER STATUS**

Carrier Name: _____

Address: _____

NAIC #: _____

I, (print or type name) _____, a duly authorized officer of the above named entity, hereby certify that this entity:

(CHECK EITHER #1 OR #2)

_____1. Is not a "Carrier" authorized to issue "Health Benefit Plans" in New Jersey, as those terms are defined at N.J.A.C. 11:21-1.2 and N.J.S.A. 17B:27A-17; **or**

_____2. Is a carrier that is not a "Member" of the New Jersey Small Employer Health Benefits Program because it had no "Health Benefits Plan" in force in 2005 covering a New Jersey "Small Employer," as those terms are defined at N.J.A.C. 11:21-1.2 and N.J.S.A. 17B:27A-17.

The accident and health premiums reported to the New Jersey Department of Banking and Insurance by this carrier for 2005 were entirely attributable to the following types of coverage, all of which are not included in, or are expressly excluded from, the definition of "health benefits plan" in the rule cited above:

(If you checked #2, you must, in the spaces below, list the types of coverages that make up the carrier's reported A&H premium.)

1. _____ 4. _____

2. _____ 5. _____

3. _____ 6. _____

Please note: Carriers that cover New Jersey small employers through associations, trusts, or multiple employer arrangements are Members of the Program subject to assessment. If you have questions about this form, call (609) 633-1882, ext. 50306.

Signature **Title**

Printed Name **Date**

Fax Number: _____ **E-mail Address:** _____

MAIL COMPLETED FORM TO: New Jersey Small Employer Health Benefits Program
PO Box 325 [20 West State Street]
Trenton, NJ 08625-0325